



City of Cambridge

O-21

IN CITY COUNCIL

March 17, 2003

COUNCILLOR DECKER
COUNCILLOR MAHER
COUNCILLOR GALLUCCIO

ORDERED: That a letter be drafted by the City Manager containing information about problems Cambridge has experienced with the local cable company; and be it further

ORDERED: That the City Manager be and hereby is requested to have this letter prepared so that the City Council could take it to the National League of Cities Conference in Washington in March for transmittal to the federal representatives.

In City Council March 17, 2003.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy: *D. Margaret Drury*

ATTEST:-

D. Margaret Drury
City Clerk



City of Cambridge

O-22

IN CITY COUNCIL

March 17, 2003

COUNCILLOR DECKER
COUNCILLOR MAHER
COUNCILLOR GALLUCCIO

ORDERED: That the City Manager be and hereby is requested to provide a report on other communities that have a municipal cable channel and the steps involved to create a municipal cable channel.

In City Council March 17, 2003.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy; *D. Margaret Drury*

ATTEST:-

D. Margaret Drury
City Clerk



City of Cambridge

O-23

IN CITY COUNCIL

March 17, 2003

COUNCILLOR DECKER
COUNCILLOR MAHER
COUNCILLOR GALLUCCIO

ORDERED: That the City Manager be and hereby is requested to examine the possibility of a breach of contract with AT&T regarding the senior discount.

In City Council March 17, 2003.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy: *D. Margaret Drury*

ATTEST:-

D. Margaret Drury
City Clerk

Healy responded the course of action is spelled out in the license. AT&T is in non-compliance with the good faith negotiations with the city in the senior discount. Councillor Maher stated that AT&T could pull up their cable or leave the cable in the ground making it useable or sellable to a new entity. Mr. Healy responded that the issue to sell conduits to a competitor is a business decision that AT&T would have to make. An approval of the transfer of the license to the competitor would also be required. Customers are not friendly cable customers. The option is to shut off cable, but if customers want the option of having a huge array of channels they would purchase cable. It is a goal of the City Council to provide competition.

Councillor Maher asked if the City Council could lobby the federal representatives to reverse the FCC decision. The issue of the senior discount is a breach of contract. He wanted the city manager to explore if Cambridge could close its relationship with AT&T and put out a new Requisition for Proposal (RFP) for a new cable provider. The City Council is frustrated with AT&T. AT&T has treated the senior citizens of Cambridge badly. He urged the senior citizens to purchase only the basic cable thereby reducing the money they pay to AT&T. He also urged a boycott of AT&T. He wanted to know how to get the word out to AT&T that the city is unhappy with their business dealings. A new cable company may not offer a senior discount so it would be easier to resolve this issue with AT&T. Mr. Healy responded that there is a moral issue over the senior discount. He did not negotiate a senior discount of 10% on the basic rate. AT&T renamed the service packages and gave the 10% to the basic package stated Councillor Maher. He suggested that when the City Council is in Washington in March they meet with federal representatives to discuss this issue.

Mr. Healy discussed rates and programming. There has been huge lobbying done by the cable industry to the FCC.

Councillor Maher stated that the residents are being short changed by AT&T. AT&T reneged on the senior discount and now money is being paid by the city for a lawsuit.

Councillor Decker stated that residents are getting less and paying more. She wants to bring in another cable company. The public thinks that the City Council can just bring in another cable company. The senior discount is a bottom-line profit making decision for AT&T. She requested that the city manager come back to the City Council with a breach of contract motion against AT&T and the cost and risk of bring a municipal cable company to Cambridge. Councillor Maher asked if there are any other cities with municipal cable companies. Towns and rural areas have municipal cable channels responded Mr. Healy. He does not know if there are any cities with 100,000 residents that have a municipal cable company. He would look into this issue.

Councillor Decker stated that the satellite technology is not an option for all. People in public housing cannot use the dish.

Councillor Decker informed the committee that she would hold a cable TV committee meeting every week, if needed, to resolve this issue. The level of frustration from residents and seniors is great.

At three o'clock and fifteen minutes p.m. Councillor Decker opened the meeting to public comment.

Councillor Decker asked Ms. Fleishman about the impact to CCTV of a municipal cable channel. Ms. Fleishman stated that Doris, CA and Sudbury, MA have their own municipal cable channel. She suggested neighboring with the utility companies. There is a technology, Y5, a wireless through the air. Mr. Healy is aggressive and the best informed on this issue. She applauded the city manager for his knowledge. She liked the municipal cable channel idea.

Councillor Decker thanked Susan Fleishman for her knowledge. She hoped that AT&T hears Cambridge differently this time. AT&T has not been a good corporate citizen. In conclusion Councillor Decker made the following motions:

ORDERED: That a letter be drafted by the City Manager containing information about problems Cambridge has experienced with the local cable company; and be it further

ORDERED: That the City Manager be and hereby is requested to have this letter prepared so that the City Council could take it to the National League of Cities Conference in Washington in March for transmittal to the federal representatives.

The motion –
Carried.

ORDERED: That the City Manager be and hereby is requested to provide a report on other communities that have a municipal cable channel and the steps involved to create a municipal cable channel.

The motion –
Carried.

ORDERED: That the City Manager be and hereby is requested to examine the possibility of a breach of contract with AT&T regarding the senior discount.

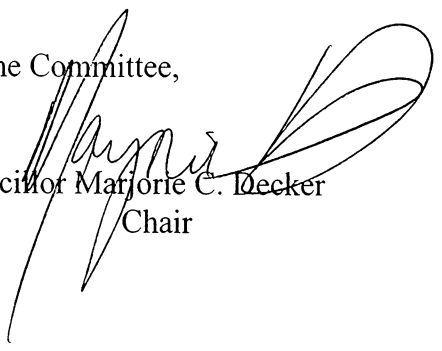
The motion –
Carried.

Councillor Decker thanked all attendees.

The meeting adjourned at three o'clock and twenty minutes p. m.

For the Committee,

Councillor Marjorie C. Decker
Chair

A large, stylized handwritten signature in black ink, likely belonging to Marjorie C. Decker, is written over the text "For the Committee," and "Councillor Marjorie C. Decker". The signature is fluid and cursive, with a large loop at the end.

City of Cambridge

**CABLE TV, TELECOMMUNICATIONS AND
PUBLIC UTILITIES COMMITTEE MEMBERS**

*Marjorie C. Decker, Chair
Councillor Anthony D. Galluccio
Councillor David P. Maher*

In City Council March 17, 2003

The Cable TV, Telecommunications and Public Utilities Committee held a public meeting on Wednesday, February 19, 2003 at two o'clock and twenty-five minutes p.m. in the Sullivan Chamber.

The purpose of the meeting was to receive an update on what needs to be done to bring in another cable company to Cambridge and what steps can be taken to challenge the rising cable costs.

Present at the hearing were Councillor Marjorie C. Decker, Chair of the Committee, Councillor David P. Maher, City Manager Robert W. Healy, Assistant to the City Manager Julia Bowdoin, Deputy City Solicitor Nancy Glowa and Deputy City Clerk Donna P. Lopez. Also present were Susan Fleishman, Director of CCTV and Peggy Sullivan, AT&T Broadband.

Councillor Decker opened the meeting and explained the purpose.

Councillor Decker stated that AT&T provides cable service in Cambridge and is now known as Comcast. In 1983 there was a ballot question to have a municipal cable company that failed. She has been inundated with calls from residents concerned with rising cable rates. She asked City Manager Robert W. Healy to outline the cable franchise.

Mr. Healy gave an overview of negotiations with RCN. Negotiations were withdrawn from several cities. Cambridge was one of them. There are not a lot of cable companies in town, he said. There is some competition in the satellite dish technology. There will never be a recoup of the installation system. The RCN build-out took over two years for a system that began in the 1980's. The city, he said, made an effort to secure competition. Time Warner has become a conglomerate of aggregation. Three or four major business conglomerates regulated at the federal level own cable companies. There is no competition available, he said. The customers are being enticed to buy the digital spectrum. Most households would require digital technology. There is an enhancement in reception with digital. The options are regular TV (channels 4, 5, 7, 38 & 56), cable or dish satellite. He informed the committee that if there were a viable option he would investigate the option because he is unhappy with the business dealings of AT&T. The city is not a friend of AT&T. Cambridge is in court with AT&T.

Councillor Maher asked Mr. Healy, as the issuing authority, could Cambridge break ties with AT&T due to a breach of contract and bring in a local competitor. Mr.

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Committee Report #4

Committee Report from Councillor Marjorie C. Decker, Chair of the Cable TV, Telecommunications and Public Utilities Committee, for a meeting held on February 19, 2003 to receive an update on what needs to be done to bring in another cable company to Cambridge and what steps can be taken to challenge the rising cable costs.

In City Council March 17, 2003

**REPORT ACCEPTED.
PLACED ON FILE.
THREE ORDERS ADOPTED.
SEE ORDERS #21, 22 AND 23.**